

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 473 - HB 867**

March 10, 2021

**SUMMARY OF BILL:** Eliminates the requirement that a first lienholder or first lienholder's designee is only authorized to file an application for a motor vehicle temporary lien if the manufacturer's statement of origin or an existing certificate of title on a motor vehicle is unavailable.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- Pursuant to Tenn. Code Ann. § 55-3-126(f), a first lienholder or lienholder's designee is authorized to file a motor vehicle temporary lien application with the Secretary of State when a manufacturer's statement of origin or an existing certificate of title on a motor vehicle is unavailable.
- A temporary lien is filed on a motor vehicle prior to the issuance of a permanent certificate of title evidencing the lien. It is primarily utilized to give lenders, or lienholders, the ability to secure interest in a vehicle during motor vehicle purchase transactions before a permanent certificate of title is available.
- Eliminating the requirement for a lienholder to file a temporary motor vehicle lien only if an existing certificate of title is unavailable will not significantly impact current practice.
- Filing revenue for temporary motor vehicle liens to the Secretary of State is not estimated to significantly increase under the provisions of the proposed legislation.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic".

Bojan Savic, Interim Executive Director

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